NewJerseyMonthly

The King of TOXIC WASTE

On the surface he is an eccentric, lovable oddball. But "Doctor" Marvin Mahan's legacy to our children is the Kin-Buc landfill and other environmental horrors.

By Shawn Tully

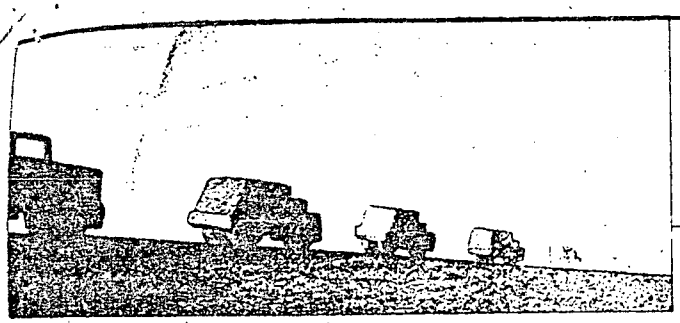
Billy Carracino stabs the air with a stubby forefinger, his small brown eyes glowing with missionary zeal as he expounds on "The Final Solution." We are sitting in his silver Cadillac outside of the Flora auto shop in Elizabeth, bombarded both by air conditioning and Billy's homilies. Part of today's message concerns Billy's claim that he is innocent of burying several hundred drums of hazardous chemicals under the Pulaski Skyway—a crime of which he was recently convicted. "The Final Solution," however, involves a problem of far larger scope: the cost and methods of cleaning up another of Billy's projects, the notorious Chemical Control Corporation in Elizabeth, where a mass of 40,000 rottin drums full of deadly chemical wastes are stacked haphazardly around an incinerator and other chemical paraphernalia. Despite Billy's claims to the contrary, most of the equipment doesn't work.

Billy is—or was—a big time garbage man. Often he would leave work on Friday or Saturday with $4,000 or more in his pockets, much of the money collected during Chemical Control's "Cash Day," when truckers could dump their loads for half price if they paid in hard dollars. Cadillacs, apartments for two girlfriends, and high living would often drain Billy so completely, though, that he'd have to borrow lunch money on Monday. Now he is broke and down to his "step money" (cash hidden under the stairs of his house). He looks like he still rides the back of a truck. As he leans forward to poke home a point, his baggy blue sweatshirt rides up over his pot belly and reveals a th line of underwear above his belt. "The state makes me sick spending $10 million to clean up Chemical Control," he says. "Marvin and me could do it in sixty days for $50,000. We'd just take the drums down to Kin-Buc and bury them in clay." But Billy knows he can't do that anymore, and he adds, almost pleading, "I learned the business from Marvin. He's a fantastic man. You have to help him out."

The "Marvin" who inspires such reverence in Billy—and who just loaned Billy $2,000 to help him raise bail while he appeals his conviction—is Dr. Marvin Mahan, the man behind an environmental horror that makes Chemical Control pale by comparison: the Kin-Buc landfill in Edison Township. Part of Marvin's legacy to the State of New Jersey, and to the people who live in Edison, Sayreville, and other parts of Middlesex County, is an eighty-foot-high pile of garbage covering thirty acres along the Raritan River, a mound that is in effect an environmental time-bomb, so great are the quantities of deadly waste chemicals buried within it. But that's not all. Marvin's legacy also includes a generation of New Jersey's worst polluters, many of them devoted Mahan disciples. Billy Carracino is one. So is Leif Sigmond, whose recycling methods at the Scientific Chemical Processing plant in Newark turned out to consist of dumping into storm sewers. Billy, Leif, and others learned long ago from Marvin that it pays to spend more time fighting government regulators than processing garbage as the government sees fit. While resisting state and federal agencies, they can continue to dispose of the waste as they like—and make a much healthier profit. For showing the way, for his tutelage, Marvin might legitimately be dubbed the King of Toxic Waste. People like Billy and Leif are his princes. To understand how these men operate, and the problems they have saddled us with, one has to understand Marvin Mahan and his way of doing business.

On the wall of Mahan's office hangs a painting of a watermelon with a slice out of it, revealing the interior of an orange. A nice metaphor for the man: people aren't what

Contributing editor Shawn Tully recently joined the staff of Fortune *magazine.*



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they seem. On the surface, Dr. Mahan is a kindly, unassuming sort, not the kind of man who would pose a hazard to anyone. He hugs and kisses his secretaries like a fond uncle, and when he asks a bulldozer operator how the wife and kids are, he not only gets the names right but seems to be sincere. A full head of tousled white hair sits atop a round, jowly face. In his blue polyester pants and short-sleeved shirt, complete with plastic pencil protector in the pocket, he might pass for a research chemist in any large corporation—which indeed he once was. But Marvin is no solitary thinker. He is a doer, a millionaire many times over, a driven man consumed by work who once asked an associate plaintively why he had to close on Washington's Birthday and, when invited to an industry picnic on a weekday afternoon, was heard to grumble, "How do these people have all that time to waste?" Unpretentious to a fault, he lives in a modest Scotch Plains house and eschews the trappings of wealth: no yachts, Cadillacs, or corporate jets adorn his spare lifestyle. Vacations, when he takes them (mostly to avoid environmental hearings these days), are spent in a Virgin Islands trailer park. Yes, on the surface he is an eccentric, lovable oddball, surprisingly successful in a cutthroat business where many strong men might fear to tread.

But Marvin's facade has worn thin, revealing glimpses of the man underneath. His title, the "Doctor" in his name, is only a half truth—an honorary degree. The bumper sticker that once adorned his car summed up his feelings about environmentalists: "Let the Bastards Freeze in the Dark." Marvin sprinkles his conversations with references to honor, integrity, and hard work. And when confronted with the horror stories that percolate from his thirty-year career like so much noxious slime oozing out of a landfill, he vehemently denies any and all wrongdoing. But Marvin Mahan's career speaks for itself.

Marvin Mahan started on his road to riches by selling chemicals other people were throwing away. After a wartime stint as a research chemist for Standard Oil of New Jersey, he started his own company, picking up solid waste lime from industrial giants like Union Carbide and DuPont, adding water, and selling it back to the same firms as an agent to neutralize acid. He sold that company in 1965 for about $5 million and used the proceeds to found Scientific, Inc., which a year later became one of the first publicly-owned garbage companies in the United States. During this time, with environmental concerns on the rise, garbage stocks were glamour stocks. Allen & Company, a Wall Street name as gilt-edged as they come, was a charter investor in Mahan's new company. Scientific was a soup-to-nuts operation badly needed by the hundreds of heavy industrial companies located in New Jersey. Mahan's firm provided fleets of trucks to haul away waste, a chemical plant to convert usable waste for resale, and other related operations.

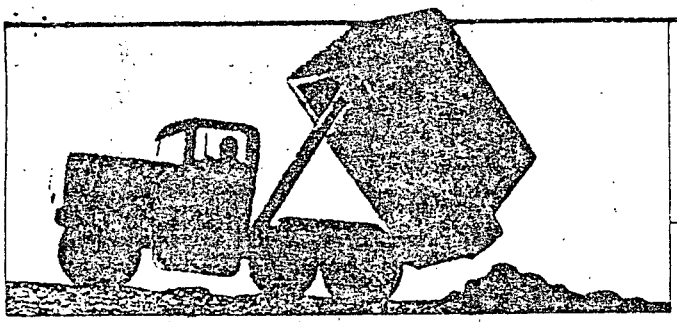
So far, a typical American success story. But even in the early days rumors of shoddy business practices dogged Mahan's footsteps. One of his early coups, according to stories told by former employees, involved a contract that paid him to dispose of contaminated oil. What Mahan did, the story goes, was sell the stuff to a firm that in turn canned it as brake fluid. Around the office people joked that you wouldn't want to start fishtailing on a rainy night and have to rely on Marvin's brake fluid. At a Scientific plant in Piscataway one day, Mahan's people carelessly mixed a bunch of waste chemicals and produced a yellow, cigar-shaped cloud of nauseating hydrochloric acid, which hung over part of the town for six hours and forced the evacuation of a thousand residents. Marvin blithely blamed the accident on improper actions taken by the local fire department. He is said to have commented: "Mother Nature is very forgiving." Casual disregard of this sort appears to be one of the hallmarks of Marvin's attitude toward the effects of his business. "I poured chemicals into the ground in Piscataway for years," he once reportedly said. "If the environmentalists had been right, I would have killed the neighbors' trees in a year. It took me eight."

Abuses plagued his Newark plastics plant, too. There, an associate recalls, trucks filled with chemicals, including acid, emptied their contents directly into the sewer manhole inside the yard. According to this story, no one paid much attention at first, since it looked like the trucks were merely making routine fuel oil deliveries. But the sewers eventually clogged—a mass of plastic pellets had been washed down with the chemicals—and inspectors were able to trace the mess to its source by following pipes: the pipes became increasingly shiny closer to the plant, as the rust had been eaten away by acid.

One of Marvin's projects in those early days was the Scientific Chemical Processing plant in Newark. He entrusted the undertaking to a team vaguely reminiscent of Abbott and Costello: Leif Sigmond, a pipe-smoking, grandfatherly Norwegian who supervised the job, and Billy Carracino, whose previous experience with recycling chemicals and garbage consisted of loading them onto trucks. Leif and Billy ran Scientific Chemical together for a while, until Leif took away Billy's company pick-up truck in a fit of cost-cutting—one of a number of slights that led Billy to go out on his own and start Chemical Control in 1970. Fraternal bickering aside, Marvin supported both of his protegés in their ventures. Shortly after Billy left Scientific Chemical, Leif purchased the plant from Marvin with a 100 percent seller-backed mortgage, as close to an outright gift as one can come in a business transaction.

Marvin's early businesses flourished, but he had bigger plans. In 1968 he purchased Kin-Buc, a landfill situated on 220 acres bounded by the Raritan River and some industrial parks. Nearby were the densely populated Middlesex County towns of Edison and Sayreville. Landfills and dumps were plentiful in New Jersey at that time, a state of affairs that had evolved along with the heavy industry boom following World War II. But by April 20, 1970, the day Marvin got a state license allowing him to dump chemicals at the site—ironically, it was two days before Earth Day—things had begun to change. The environmental movement had burgeoned. In 1970, Congress passed the first of a series of laws mandating clean air and water by specific deadlines. Chemical companies and industries that produced hazardous by-products learned they could no longer dispose of waste in the traditional way—by pumping it, as often as not, into a convenient river. The only inexpensive option left, for most, was to pay some third party to pick up the chemicals and truck them to a landfill.

At the same time, however, the New Jersey Department of Environmental Protection had begun to police landfills. Strict standards governing new landfills virtually halted the proliferation of dumps—garbage entrepreneurs found it difficult and expensive to create sites that would win state approval. But the DEP conferred "grandfather" status on landfills with prior authorizations, under the condition that these old dumps file new engineering plans demonstrating sound disposal and treatment methods. Marvin's competitors took the requirements seriously. Many of them filed applications, only to see them rejected and to see their chemical-



"By early 1976 Kin-Buc was receiving almost 500,000 gallons a day of chemical waste — enough to fill ten Olympic swimming pools."

dumping licenses revoked.

But this is where Marvin was artful. He knew how to beat the regulators at their own game. Marvin hired Theodore Schwartz, a former assistant attorney general who had prosecuted for the DEP and who knew better than anyone what the weaknesses of the department and its regulations were. While Marvin's competitors went out of business, Schwartz and his colleagues kept the DEP's young attorneys and undermanned staff so snarled in their own red tape that it became impossible even to determine what the proper benchmarks for Kin-Buc's treatment and disposal methods ought to be. And with no benchmark to judge against, there could be no violation. The DEP, overburdened with landfill applications as it was—one administrator guessed that it would take forty years just to routinely process all of the papers—seems to have let Kin-Buc slide while pursuing easier prey. And so it was that Marvin's new project was allowed to grow and fester, to the point where Kin-Buc became a symbol for all the abuses that have given New Jersey the unsavory image of the nation's pollution capital.

As the competition dwindled, Kin-Buc's volume rose, and so many trucks arrived to dump their loads every day that only the most minimal kinds of testing were done. State law required a flammability test to determine the "flash-point" of substances about to be dumped, a process that should have been conducted with sophisticated equipment. Marvin's harried testers, however, would often pour some of the incoming substance in an open container and toss in a lighted match to test the volatility. Apparently, quantity and profits, not quality and safety, were Marvin's guidelines. And with available dumping sites on the wane, revenues and profits were rising. During the first two years of Marvin's license, disposal prices increased by 150 percent.

With all of the slipshod practices for testing and disposal, tragedy was inevitable. In addition to frequent minor fires and occasional large orange clouds produced when incompatible chemicals were dumped together into the pits at the top of the mounds of garbage, some major disasters occurred. In October of 1974, a worker operating a garbage compactor was engaged in the hazardous job of pushing whole drums of chemicals into the sides of the garbage mound when one of the metal wheels of the compactor scraped against a buried drum. The resulting spark ignited one of the drums, and before the operator could jump from his cab several other barrels blew up, throwing him 150 feet from his equipment. The only skin left on his body was under his belt and boots. When a man reached him, he begged to be killed. He died the next day.

Nothing improved, however. The neighboring towns attempted to shut down Kin-Buc, but to no avail. By 1975, Kin-Buc was the only landfill in New Jersey where chemicals could be legally dumped. (Interestingly enough, the only legal incinerator in North Jersey at this time was owned by Marvin's old pupil, Billy Carracino.) Not content with a monopoly, Marvin grasped for an empire. He succumbed to the charms of one Tony Gaess, president of a trucking company that was owned by the SCA Services, Inc., a garbage giant and a member of the New York Stock Exchange. The maneuver through which Mahan and Gaess joined fortunes was to produce a temporary bonanza, but eventually it led to the end of Kin-Buc.

Many of Marvin's colleagues claim that Tony Gaess, not Marvin, is really the person to hold responsible for what happened at Kin-Buc. While that is probably unfair, Tony must certainly take his share of the blame. Gaess is a garbage man with class, a dapper, handsome, hard-driving entrepreneur. The son of "Billboard Billy" Gaess—whose ownership of, among other things, the huge "Triumph" cigarette billboard just above the Lincoln Tunnel made him a wealthy man—Tony was told early to go out and make it on his own. He started by buying a used truck (with a bad check, according to a Gaess associate), and he became a "honeydipper," a cleaner of septic tanks. By 1975 he had built a fleet of disposal trucks that hauled hazardous chemicals as well as solid waste.

Marvin, aided by a sales force including one Procter & Gamble alumnus, had steadily eaten into Gaess's business for more than a year. Thus Tony's proposal, to combine Marvin's Scientific, Inc. with his company and SCA in a joint venture, might easily have been refused. But Marvin, facing open-heart surgery and afraid that he would not have the energy to continue building his trucking fleet after (or if) he recovered, took the offer.

The result was a virtual monopoly over the hauling and disposal of hazardous chemicals produced in New Jersey, as well as a substantial competitive edge over other haulers and disposal sites throughout the Northeast. It seemed to be the perfect deal, and Gaess projected first-year profits at $1 million. The sales force promised commercial customers concerned about their corporate images that the joint venture, called Gaess Environmental Services Co., would guarantee safe disposal: no one would be found dumping *their* chemicals down a sewer.

At first, the joint venture prospered. The partners doubled, then tripled the disposal price, and volume soared anyway. Gaess and Mahan envisioned treatment and disposal facilities on the same property, to be called Kin-Buc II and III. Unfortunately, however, Marvin's management practices were almost as bad as his environmental record, and soon money began to leak out as if through a sieve. Accusations flew back and forth between the two partners: Gaess claimed that Marvin's old cronies, specifically Sigmond and Carracino, were allowed to dump at half-price. Marvin, restored to robust health by a pig's valve implanted in his heart, countered with accusations of slipshod management on Tony's part. He demanded more volume from the sales force and frequently lectured Tony over the phone—to the amusement of listeners in Tony's office, who crowded around the "squawk box" to listen in. Finding Tony in the office, however, was not easy. He preferred to make deals over the phone from his Lincoln Continental—the company purchased a new one for him each year.

Factions left over from the two original companies feuded constantly, and customers fumed when the promised two-day pick-up times ballooned into *four-day* and sometimes longer. Still, the joint venture earned almost $500,000 in its first year of operation. Gaess's theory about its ultimate profitability was never to be proven, though. Despite Marvin's protestations about the dump's infinite capacity, it was obvious that Kin-Buc had more than enough liquid waste to handle. The greed of the owners, in fact, showed that Marvin's pet theory about the harmlessness of chemical dumping was a sham.

Marvin's theory was simple: he saw the landfill as a giant sponge. If enough solid waste were dumped along with the chemicals, the garbage would absorb the liquid, percolate it down through the mound, and remove almost all of the poisonous elements from the chemicals along the way. Sketchy chemistry at best. But even if the theory were at all sound, there is no way it could have worked given the proportions of liquid waste

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Coming Next Month

Saying goodbye to the 70s: A chronicle of the decade in New Jersey—the personalities, the great and not-so-great events, the winners, and the losers.

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Big-time sports at Rutgers: Can Rutgers really play with the big boys?

WASTE

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being dumped at Kin-Buc. By early 1976 the landfill was receiving almost 500,000 gallons a day of chemical waste—enough to fill ten Olympic swimming pools.

Finally, Kin-Buc did what any sponge will do when it is saturated: it overflowed. On January 16, 1976, a side wall of the mound collapsed, spilling more than 20,000 gallons of inky black liquid into the river, and, unfortunately for Marvin, directly into the path of a Coast Guard cutter. That brought the federal Environmental Protection Agency into the picture, an agency with considerably more money and manpower than the beleaguered New Jersey DEP. Federal inspectors descended on Kin-Buc in swarms, and Marvin was forced to cough up his first fine ever: $10,000. But worse lay ahead.

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On April 22, 1976—Earth Day again—a huge fire erupted at the dump. Marvin claimed it was caused by lightning striking a bulldozer and ricocheting into a pool of chemicals—although the weather bureau's reports make no mention of lightning that day. Whatever the cause, the fire and its consequences were immense. Tony Gaess, rushing to the scene, was engulfed by thick black smoke forty miles away on the Turnpike. The fire took two weeks to put out. The community and the surrounding property owners were outraged as never before. One man, Ike Heller, who owned an industrial park near Kin-Buc, took Mahan to court. Heller had already been angered by the flocks of garbage-hunting seagulls that the landfill attracted to the area, as well as by the fumes that drifted over and peeled paint off the cars in his park. Now he spent $250,000 of his own money to prove that Kin-Buc was

violating every rule in the book. The court battle dragged on for several months, given Marvin's genius for delay, but not even Theodore Schwartz could save Kin-Buc this time. By the end of 1976, the dump was, for all practical purposes, closed. The joint venture that had contemplated millions was null and void.

Three years later, Mahan and I stand together in a field adjacent to Kin-Buc, now a silent, almost benign-looking mound covered with grass streaked brown in places by erosion. Marvin dips his hand into a barrel lying at our feet, tastes his finger, and pronounces: "I told you it was sulfate." The barrel is not one of Marvin's; it was dumped illegally sometime in the recent past. Bounding up the sides of the Kin-Buc mound, Marvin is spry as a mountain goat. He picks up a spoon from the ground and pokes at the garbage. "We want to drill for the natural gas the garbage gives off and sell it to heat houses," he drawls. That is unlikely to happen, and if it does, the drillers had better have their life insurance paid up. No one will ever know precisely how much or even what kinds of chemicals reside in this mound, or how many millions of gallons may have leaked into the river or into underground water supplies. We won't know, that is, until Middlesex County begins to rely on those water sources for drinking. According to the Army Corps of Engineers, that will happen around the year 2000. Marvin always claimed that the mound sat on layers of clay, a substance almost impervious to leaks and a good container for almost any kind of hazardous waste. The base turned out, however, to be almost all bedrock covered with sand—and porous bedrock at that.

Rumors of what went into Kin-Buc abound. Former employees swear that both mustard gas and nerve gas were buried there, which Marvin denies. And then there is the matter of the Bon Vivant soup. Back in 1975, Billy Carracino received the disposal contract for the 500,000 impounded cans of Bon Vivant that had been stored in a North Jersey warehouse since the day in 1971 when a can of vichyssoise tainted with botulism killed a Long Island man. At the time the proposed method of disposal in Billy's incinerator received very favorable press coverage, including a glowing report by the *New York Times*, which referred to Billy's plant as "a model disposal facility." Under Billy's plan, the cans were to be placed on a conveyor belt—the only time they would be touched by human hands, he boasted—and then go through an assortment of openers, tippers, hoses, and pumps, and on into the incinerator, to be destroyed forever. But after the public display for an admiring press, the system broke down. The conveyor belt stopped repeatedly, and the fire in the incinerator kept going out. So Billy did what seemed simplest: he loaded the cans into Dumpsters and shipped them to Kin-Buc, where presumably they came to rest along with whatever else arrived that day.

Today, Billy denies ever having done this, and Marvin says he knows nothing about it. But at least five other employees of Kin-Buc at that time swear to the truth of the story. And given the track record, anything seems plausible. Billy claims that only a tiny percentage of the cans were contaminated by botulism, and, according to incredulous visitors to Chemical Control, he had the courage of his convictions. A visitor reported finding him seated at his desk one day, a bowl of steaming potato soup resting atop a pile of traffic summonses. "That stuff'll kill you!" gasped the guest. "Nah," said Billy. "I can tell the cans with botulism. They're the ones that swell up." Let's hope he's right, because a teaspoonful of botulism virus added to the world's water supply would kill more people than a few hydrogen bombs.

The federal government currently has a suit pending against Mahan and his partners for $25 million, the amount that officials estimate should be kept in reserve to clean up Kin-Buc and preserve the surrounding environment, or what's left of it, for the future. That suit will probably take years to resolve. In the meantime, all that has been done to Kin-Buc since it was closed in 1976 is some landfilling with dirt to cover the exposed garbage. It is unlikely that anything further will be done for years to come. One would like to identify one villain in this story and point the finger of justice at him, but in this case it isn't fair to single out Marvin for all the blame. Some blame must go to the state, which created a system of regulation and enforcement that it then undercut by lack of funding. Some must go to elected public officials, who waited until an absolute disaster erupted to take action. Some must go to the federal government for not acting sooner on the basis of common sense if not statutory obligation. If there is a hero in the debacle it is industrial park owner Ike Heller, whose admitted self-interest—the preservation of his property—finally prevailed where the public interest should have prevailed long before. It took Heller's suit to drive the nails into Kin-Buc's coffin. But there can be no joy even in that: the future dangers of Kin-Buc are too great.

The public's sense of justice might be served somewhat if Marvin Mahan had, like Kin-Buc, been put out of business by the accumulated disasters. But, as Marvin always told Billy Carracino in their salad days, the great thing about the chemical business is that first you get paid to make a big mess, and then you get paid to clean it up. The adage is certainly borne out by current events. While Billy Carracino awaits the outcome of the appeal of his conviction, someone must be paid to clean up his mess at Chemical Control. The company awarded the contract is called Earthline, Inc., and it will reportedly be paid $5 million to do the job. Earthline is the successor to Gaess Environmental Services Co., and 35 percent of Earthline is owned by Marvin Mahan. ■